State of New Mexico Taxation & Revenue Department

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FOR IMMEDIATE RELEASE
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Unreimbursed Medical Expense Tax Deduction Ending

SANTA FE – The New Mexico Taxation and Revenue announced today that a state income tax deduction for unreimbursed medical expenses will not be available after the 2014 filing season.

Legislation sponsored in the House of Representatives had sought to keep the deduction in place. However, after passing in the House by a 57-0 vote, the bill was not addressed in the State Senate.

"It is unfortunate that this deduction will not continue to benefit the 300,000 New Mexico taxpayers who have been able to claim it each year," said Demesia Padilla, Cabinet Secretary for the New Mexico Taxation and Revenue Department. "We strongly support the legislation to keep the deduction and I hope that the New Mexico Legislature will reinstate it in the next Legislative Session."

Without a legislative extension, the tax filing season that ended in April will be the last year this deduction will be available. State income taxes filed for the next tax filing season in 2016 would not qualify for the deduction.

The deduction has allowed taxpayers to deduct a percentage of unreimbursed medical expenses based on filing status and adjusted gross income. Taxpayers 65 and older will still be able to claim an exemption and refundable credit for certain unreimbursed medical expenses over $28,000.

The New Mexico Taxation and Revenue Department collects and distributes taxes according to state law. Taxpayers are welcome to contact the department with tax questions and inquiries at (866) 809-2335.

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